

**FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

**COMMUNITY CENTER & PLAYGROUND DISTRICT
NO. 3 OF WARD 7 OF CALCASIEU PARISH
CALCASIEU PARISH POLICE JURY**

December 31, 2012

CONTENTS

	PAGE
INDEPENDENT AUDITORS' REPORT	3
FINANCIAL STATEMENTS:	
Statement of Net Position	5
Statement of Activities	6
Balance Sheet- Governmental Fund	7
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	8
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	9
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities	10
Notes to Financial Statements	11
REQUIRED SUPPLEMENTAL INFORMATION:	
Statement of Revenues, Expenditures, and Changes Fund Balance – Budget and Actual (GAAP BASIS) – General Fund	18
SUPPLEMENTAL INFORMATION:	
Per Diem Paid Board Members	21
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements performed in accordance with <i>Government Auditing Standards</i>	22
Summary Schedule of Current and Prior Year Audit Findings And Corrective Action Plan	24



Langley, Williams & Company, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 4690
LAKE CHARLES, LOUISIANA 70606-4690
205 W. COLLEGE STREET
LAKE CHARLES, LOUISIANA 70605-1625
(337) 477-2827
1(800) 713-8432
FAX (337) 478-8418

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

MEMBERS OF-
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS
TEXAS STATE BOARD
OF PUBLIC ACCOUNTANCY
PUBLIC COMPANY
ACCOUNTING OVERSIGHT BOARD
CENTER FOR PUBLIC
COMPANY AUDIT FIRMS

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
Calcasieu Parish Police Jury
Vinton, Louisiana

We have audited the accompanying financial statements of Community Center & Playground District No.3 of Ward 7 of Calcasieu Parish, a component unit of the Calcasieu Parish Police Jury, as of and for the year ended December 31, 2012 and related notes to the financial statements, which collectively comprise of the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Controller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Board of Commissioners

Community Center & Playground District No.3 of Ward 7 of Calcasieu Parish

Page 2

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish, Louisiana, as of December 31, 2012, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The District has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economical, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2013, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

The required supplementary information on page 18 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

This report is intended solely for the information and use of management, and Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Vinton, Louisiana
May 31, 2013

Handwritten signature in blue ink that reads "J. P. Williams, Jr., CPA".

**COMMUNITY CENTER & PLAYGROUND DISTRICT NO. 3 OF WARD 7
OF CALCASIEU PARISH**

**STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
December 31, 2012**

ASSETS

Cash and cash equivalents	\$ 1,621,855
Ad valorem tax receivable, net of allowance for doubtful accounts of \$12,057	590,784
State revenue sharing receivable	6,743
Capital assets, net of accumulated depreciation	1,444,557
Prepaid expense	<u>1,585</u>
 Total assets	 <u>3,665,524</u>

LIABILITIES

Accounts payable	1,696
Payroll taxes payable	2,409
Pension fund deduction payable	<u>18,381</u>
 Total liabilities	 <u>22,486</u>

NET POSITION

Investment in capital assets	1,444,557
Unrestricted	<u>2,198,480</u>
 Total net position	 <u>\$ 3,643,037</u>

The accompanying notes are an integral part of this statement.

**COMMUNITY CENTER & PLAYGROUND DISTRICT NO. 3 OF WARD 7
OF CALCASIEU PARISH**

**STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
For the Year Ended December 31, 2012**

Fuction/Programs	Expenses	Program Revenues		Governmental Activities - Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Culture and recreation	\$ 371,740	\$ 21,512	\$ 28,523	\$ (321,705)
Total Government Activities	<u>\$ 371,740</u>	<u>\$ 21,512</u>	<u>\$ 28,523</u>	<u>(321,705)</u>
General revenues:				
	Ad valorem taxes			582,735
	State revenue sharing			6,772
	Interest income			3,178
	Riverboat endowment			750
	Miscellaneous			<u>13,912</u>
Total general revenues				<u>607,347</u>
Change in net position				285,642
Net position - beginning of year				<u>3,357,395</u>
Net position - end of year				<u>\$ 3,643,037</u>

The accompanying notes are an integral part of this statement.

**COMMUNITY CENTER & PLAYGROUND DISTRICT NO. 3 OF WARD 7
OF CALCASIEU PARISH
Governmental Fund
Balance Sheet
December 31, 2012**

	<u>GENERAL FUND</u>
 <u>ASSETS</u>	
Cash and cash equivalents	\$ 1,621,855
Ad valorem tax receivable, net of allowance for doubtful accounts of \$12,057	590,783
State revenue sharing receivable	6,743
Prepaid expenses	<u>1,585</u>
 Total assets	 <u><u>\$ 2,220,966</u></u>
 <u>LIABILITIES AND FUND BALANCE</u>	
Liabilities:	
Accounts payable	\$ 1,696
Payroll taxes payable	2,409
Pension fund deduction payable	<u>18,381</u>
Total liabilities	22,486
 Fund balance:	
Unassigned	 <u>2,198,480</u>
 Total liabilities and fund balance	 <u><u>\$ 2,220,966</u></u>

The accompanying notes are an integral part of this statement.

**COMMUNITY CENTER & PLAYGROUND DISTRICT NO. 3 OF WARD 7
OF CALCASIEU PARISH**

**RECONCILIATION OF FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION
December 31, 2012**

FUND BALANCE OF GOVERNMENTAL FUNDS	\$	2,198,480
------------------------------------	----	-----------

Amounts reported for governmental activities in the Statement of
Net position are different because:

Capital assets used in governmental activities are not financial
resources and therefore, not reported in the funds.

Cost of capital assets	\$ 2,316,072		
Less - accumulated depreciation	<u>(871,514)</u>	<u>1,444,558</u>	

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u><u>3,643,038</u></u>
---	----	-------------------------

The accompanying notes are an integral part of this statement.

**COMMUNITY CENTER & PLAYGROUND DISTRICT NO. 3 OF WARD 7
OF CALCASIEU PARISH**

**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCE - GOVERNMENTAL FUND
For the Year Ended December 31, 2012**

	General Fund
Revenue:	
Ad valorem taxes	\$ 582,735
State revenue sharing	6,772
Rental	5,125
Concession	1,614
Registration fees	9,344
Pool admissions	5,429
Riverboat endowment	29,273
Interest	3,178
Other	13,912
Total revenues	<u>657,382</u>
Expenditures:	
Current:	
Governmental	
Accounting	3,250
Bad debt	3,119
Deductions from ad valorem taxes - retirement	18,381
Insurance	41,238
Maintenance and supplies	41,322
Office	3,611
Officials	7,000
Salaries	127,289
Supplies - concessions	1,000
Sports and recreation	20,331
Payroll taxes	9,839
Telephone and utilities	20,776
Capital outlay	65,661
Total expenditures	<u>362,817</u>
Excess of revenues over expenditures	294,565
Fund balance at beginning of year	<u>1,903,915</u>
Fund balance at end of year	<u><u>\$ 2,198,480</u></u>

The accompanying notes are an integral part of this statement.

**COMMUNITY CENTER & PLAYGROUND DISTRICT NO. 3 OF WARD 7
OF CALCASIEU PARISH**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2012**

Total net change in fund balance - governmental funds	\$	294,565
---	----	---------

Amounts reported for governmental activities in the Statement
of Activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities the cost of those
assets is allocated over their estimated useful lives and
reported as depreciation expense. This is the amount
by which capital outlays exceed depreciation expense in
the current period.

Capital outlays	\$	65,661	
Depreciation expense		<u>(74,584)</u>	<u>(8,923)</u>

Change in net position of governmental activities	\$	<u>285,642</u>
---	----	----------------

The accompanying notes are an integral part of this statement.

**Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
December 31, 2012
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish was created by the Calcasieu Parish Police Jury, as authorized by Act 82 of 1948. A board of five commissioners appointed by the Calcasieu Parish Police Jury governs the District. The District establishes regulations governing its parks, playgrounds, and community centers and provides administration, management, maintenance, and operations of the facilities.

Basis of Presentation

The financial statements of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Reporting Entity

As the governing authority of the parish, for reporting purposes, the Calcasieu Parish Police Jury is the financial reporting entity for Calcasieu Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Calcasieu Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury financial statements would be misleading if data of the organization were not included because of the nature or significance of the relationship, the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish was determined to be a component unit of the Calcasieu Parish Police Jury, the financial reporting entity.

**Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
December 31, 2012
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity-(Continued)

The accompanying financial statements present information only on the funds maintained by the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish and do not present information on the police jury, the general government services provided by that government unit, or the other governmental units that comprise the financial reporting entity.

Basic Financial Statements – Government-Wide Statements

The Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish basic financial statements include both government-wide and fund financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District net assets are reported in two parts – invested in capital assets (net of related debt), and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish functions. The functions are supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by any related program revenues, which must be directly associated with the function. The net cost (by function) is normally covered by general revenues.

This government-wide focus is more on the sustainability of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish as an entity and the change in the District's net assets resulting from the current year's activities.

Basic Financial Statements – Fund Financial Statements

The financial transactions of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures. The various funds are reported by generic classification within the financial statements.

The District uses the following fund type:

Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The emphasis in fund financial statements is on the major funds in the governmental category. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The District's general fund is considered a major fund.

**Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
December 31, 2012
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

The governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Revenues of the Community Center & Playground District No. 3 of Ward 7 of Calcasieu Parish consist principally of property taxes, user fees, other intergovernmental revenues, donations, and interest income. Property taxes are billed and generally collected within the fiscal year in which the taxes are levied. Interest income is recorded when earned. Donations and other intergovernmental revenues are recorded when received in cash because they are generally not measurable until actually received.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenue is recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

The exception to this rule is the principal and interest on general obligation long-term debt, if any, is recognized when due. Depreciation is not recognized in the governmental fund financial statements.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with an original maturity of three months or less.

Accounts Receivable

Accounts receivable consists of ad valorem taxes totaling \$602,840 as of December 31, 2012. Uncollectible amounts due for ad valorem taxes are recognized as uncollectible using the allowance method. The allowance for doubtful accounts at December 31, 2012, was \$12,057.

**Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
December 31, 2012
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets

Under GASB No. 34 budgetary comparison information is required to be presented for the general fund with a legally adopted budget.

For further information regarding the District's budget process see Note 5.

Capital Assets

Capital assets purchased or acquired with an original cost of \$500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and building improvements	15 – 39 years
Equipment	5 – 20 years

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents include bank accounts and short-term investments. At December 31, 2012, the district has cash and cash equivalents (book balances) totaling \$1,621,855.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure the District's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either (a) uninsured and uncollateralized or (b) uninsured and collateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the District. The District's cash and investment policy, as well as state law, require that deposits be fully secured by federal deposit insurance or the pledge of securities owned by the bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount of deposit with the bank.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At December 31, 2012, the district has \$1,621,970 in deposits (collected bank balances) that were secured from risk by \$250,000 of federal deposit insurance and \$1,552,954 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

**Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
December 31, 2012
NOTES TO FINANCIAL STATEMENTS**

NOTE 3 - AD VALOREM TAXES

Accounting principles generally accepted in the United States of America for government prescribe a modified accrual basis to be applied to property tax revenues. An assessment is made to finance the budget of a particular period and the revenue produced from any property tax assessment should be recognized in the fiscal period for which it was provided (budgeted) and for which the collections are reasonably available. Expected collections and collections of the 2012 levy are accrued as receivable and as revenue in the current year (2012). For budget purposes, property taxes collected in 2012 are designated as revenue appropriable in the 2012 budget year.

For the year ended December 31, 2012, taxes of 10.73 mills were levied on property with assessed valuations totaling \$54,783,400. Total taxes levied for the year ended December 31, 2012 were \$586,682.

During the year, the tax assessor made adjustments to previous year taxpayer valuations and wrote off a total of \$3,054 worth of taxes. This amount was net against current year ad valorem taxes along with \$65 that management deemed necessary to adjust their allowance for uncollectible.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31. Property taxes not paid by the end of February are subject to lien.

The parish bills and collects its property taxes using the assessed values determined by the Calcasieu Parish Tax Assessor.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Land	\$ 55,362	\$ -	\$ -	\$ 55,362
Building and improvements	2,074,994	56,941	-	2,131,935
Equipment	120,055	8,719	-	128,774
Total at historical cost	<u>2,250,411</u>	<u>65,660</u>	<u>-</u>	<u>2,316,071</u>
Less accumulated depreciation:				
Building and improvements	(728,118)	(65,921)	-	(794,039)
Equipment	(68,812)	(8,663)	-	(77,475)
Total accumulated depreciation	<u>(796,930)</u>	<u>(74,584)</u>	<u>-</u>	<u>(871,514)</u>
Governmental activities capital assets, net	<u>\$ 1,453,481</u>	<u>\$ (8,924)</u>	<u>\$ -</u>	<u>\$ 1,444,557</u>

Depreciation expense for the year ended December 31, 2012, was charged to governmental activity in the amount of \$74,584.

**Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
December 31, 2012
NOTES TO FINANCIAL STATEMENTS**

NOTE 5 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Community Center & Playground District No. 3 of Ward 7 uses the following budget practices:

A budget is adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the General Fund. All annual appropriations lapse at year end.

On or before the last meeting of each year, the budget is prepared by fund, function, and activity and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The appropriated budget is prepared by fund and function. The proposed budget is presented to the District's Board of Commissioner for review. The board holds a public hearing and may add to, subtract from, or change appropriations, but may not change form of the budget. Any changes in the budget must be within the revenues and reserves estimated.

Expenditures may not legally exceed budgeted appropriations by more than five percent.

Encumbrance accounting is not used.

NOTE 6 - SUBSEQUENT EVENTS

Management of the Company is not aware of any subsequent events through May 31, 2013, which is the date the financial statements were available to be issued, for events requiring recording or disclosure in the financial statements for the year ended December 31, 2012.

REQUIRED SUPPLEMENTAL INFORMATION

**COMMUNITY CENTER & PLAYGROUND DISTRICT NO. 3 OF WARD 7
OF CALCASIEU PARISH**

**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND
BALANCE (GAAP BUDGETARY BASIS) - BUDGET AND ACTUAL - GENERAL FUND
For Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue:				
Ad valorem taxes	\$ 550,000	\$ 558,600	\$ 582,735	\$ 24,135
Interest	1,200	2,000	3,178	1,178
Concession	1,500	1,600	1,614	14
Registration fees	9,000	9,400	9,344	(56)
Rental	4,000	4,900	5,125	225
State revenue sharing	6,800	6,772	6,772	-
Pool admissions	5,000	5,428	5,429	1
Riverboat endowment	30,000	28,500	29,273	773
Other	15,000	13,200	13,912	712
Total revenues	622,500	630,400	657,382	26,982
Expenditures:				
Governmental				
Accounting	3,000	3,250	3,250	-
Bank charges	400	100	-	100
Bad debt	8,000	8,000	3,119	4,881
Deductions from ad valorem taxes	15,000	15,000	18,381	(3,381)
Insurance	40,000	42,000	41,238	762
Maintenance and supplies	35,000	58,000	41,322	16,678
Office	3,000	6,000	3,611	2,389
Officials	6,500	7,000	7,000	-
Salaries	120,000	127,290	127,289	1
Supplies - concessions	1,100	900	1,000	(100)
Sports and recreation	15,000	21,650	20,331	1,319
Payroll taxes	9,000	10,000	9,839	161
Telephone and utilities	20,000	20,910	20,776	134
Capital outlay	346,500	310,300	65,661	244,639
Total expenditures	622,500	630,400	362,817	267,583

The accompanying notes are an integral part of this statement.

**COMMUNITY CENTER & PLAYGROUND DISTRICT NO. 3 OF WARD 7
OF CALCASIEU PARISH**

**STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND
BALANCE (GAAP BUDGETARY BASIS) - BUDGET AND ACTUAL - GENERAL FUND - (Continued)
For Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Over (Under) Final</u>
	<u>Original</u>	<u>Final</u>		
Excess of revenues over expenditures	-	-	294,565	294,565
Fund balance at beginning of year	<u>1,903,915</u>	<u>1,903,915</u>	<u>1,903,915</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,903,915</u>	<u>\$ 1,903,915</u>	<u>\$ 2,198,480</u>	<u>\$ 294,565</u>

The accompanying notes are an integral part of this statement.

SUPPLEMENTAL INFORMATION

**Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
December 31, 2012
PER DIEM PAID BOARD MEMBERS**

PER DIEM PAID BOARD MEMBERS

As provided by Louisiana Revised Statute 33:4564, the board members may receive \$10 per diem for each regular and special meeting attended but shall not be paid for more than twelve meetings in each year. However, at this time the District is not paying per diem.



Langley, Williams & Company, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

P.O. BOX 4690
LAKE CHARLES, LOUISIANA 70606-4690
205 W. COLLEGE STREET
LAKE CHARLES, LOUISIANA 70605-1625
(337) 477-2827
1(800) 713-8432
FAX (337) 478-8418

LESTER LANGLEY, JR.
DANNY L. WILLIAMS
PHILLIP D. ABSHIRE, JR.
DAPHNE BORDELON BERKEN

MEMBERS OF-
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS
TEXAS STATE BOARD
OF PUBLIC ACCOUNTANCY
PUBLIC COMPANY
ACCOUNTING OVERSIGHT BOARD
CENTER FOR PUBLIC
COMPANY AUDIT FIRMS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish
Calcasieu Parish Police Jury
Vinton, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Community Center & Playground District No.3 of Ward 7 of Calcasieu Parish, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise of the District's basic financial statements and have issued our report thereon dated May 31, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. The deficiencies are identified as 12-01(IC), 12-02(IC) and 12-03(IC).

Board of Commissioners

Community Center & Playground District No.3 of Ward 7 of Calcasieu Parish

Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Community Center & Playground District No.3 of Ward 7 of Calcasieu Parish Response to Findings

The District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Lake Charles, Louisiana
May 31, 2013

**Community Center & Playground District
No. 3 of Ward 7 of Calcasieu Parish**

**SUMMARY SCHEDULE OF CURRENT AND PRIOR AUDIT
FINDINGS AND CORRECTIVE ACTION PLAN**

SECTION 1 – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Significant deficiency identified? _____ Yes X No

Significant deficiencies identified that are
not considered to be material weaknesses? X Yes _____ No

Noncompliance material to financial statements
noted? _____ Yes X No

Federal Awards

Not applicable

**Community Center & Playground District No. 3 of Ward 7
Vinton, Louisiana**

**Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan**

For the Year Ended December 31, 2012

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Current year (12/31/2012)						
Internal Control:						
12-01 (IC)	Unknown	The Community Center did not have adequate segregation of duties within the accounting system.	No	The Community Center's management has determined that it is not cost effective to achieve complete segregation of duties in the accounting department. They have, however, segregated as many duties as possible. No plan is considered necessary.	John Henderson	NA
12-02 (IC)	2007	The Community Center does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including related notes.	No	The District's management has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with (GAAP) and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.	John Henderson	NA
12-03 (IC)	2012	The Community Center paid employees and vendors for services and/or products in advance through the year.	Yes	The Community Center has concurred with the finding and recommendation and will not issue any payroll or vendor checks in advance.	John Henderson	5/30/2013

Compliance:

There are no matters involving compliance to be reported

Prior year (12/31/11)

Internal Control:

Same as current year

Compliance:

There are no matters involving compliance to be reported